

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

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**U.S. SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**EQUITYBUILD, INC., EQUITYBUILD  
FINANCE LLC, JEROME D. COHEN, and  
SHAUN H. COHEN,**

**Defendants.**

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**Civil Action No.**

**18-CV-5587**

**PLAINTIFF’S EMERGENCY MOTION FOR A TEMPORARY RESTRAINING  
ORDER TO PREVENT VIOLATIONS OF THE FEDERAL SECURITIES LAWS,  
TO APPOINT A RECEIVER, AND PROVIDE FOR OTHER ANCILLARY RELIEF**

Plaintiff U.S. Securities and Exchange Commission (“SEC”), pursuant to F.R.C.P. 65, hereby moves, on an emergency basis, for a Temporary Restraining Order to Prevent Violations of the Federal Securities Laws, to Appoint a Receiver, and to Provide for Other Ancillary Relief. Supporting its motion, the SEC is filing a Memorandum of Law and the declaration of SEC accountant Ann Tushaus and accompanying exhibits (including investor declarations).

As set forth in the supporting Memorandum, the SEC seeks a TRO to halt an ongoing Ponzi scheme and offering fraud, involving Chicago real estate, that has raised more than \$135 million from more than 900 investors. The Defendants raised these funds by falsely promising investors safe investments, secured by income-producing real estate, that generated returns of 12% to 20%. Defendants’ scheme is on the verge of collapse, yet they continue to solicit funds from unwitting investors. Despite recently informing *prior* investors that their investments are

unprofitable and that Defendants can no longer afford to repay them, Defendants continue to lure *new* investors with promises of “guaranteed” returns and interest payments as high as 17%.

In addition to requesting a TRO to stop Defendants’ fraud, the SEC also seeks the appointment of a receiver to remove Defendants’ control over investor funds, to secure the real estate and other assets obtained with investor proceeds, and to ultimately recompense the defrauded investors. Should the Court decline to appoint a receiver, the SEC requests that the Court freeze Defendants’ assets.

WHEREFORE, the SEC respectfully moves the Court to grant the relief as set forth more fully in the SEC’s Memorandum and proposed Orders, including: issue a temporary restraining order and conduct-based injunction, appoint a receiver (or, in the alternative, freeze Defendants’ assets), order an accounting, direct the preservation of documents and allow expedited discovery, and grant such other ancillary relief as the Court deems just and proper.

Respectfully Submitted,

Dated: August 15, 2018

/s/ Benjamin J. Hanauer  
Benjamin J. Hanauer (hanauerb@sec.gov)  
Ariella Guardi (guardia@sec.gov)  
Timothy J. Stockwell (stockwellt@sec.gov)  
175 West Jackson Blvd., Suite 1450  
Chicago, IL 60604  
Phone: (312) 353-7390  
Facsimile: (312) 353-7398  
Attorneys for Plaintiff  
U.S. Securities and Exchange Commission